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MBL

# Who's Flacking Who?

*When Howard Rubenstein Calls, David Dinkins Listens*

Leona Helmsley, New York's living symbol of cruelty and excess, yearned for the one thing her millions could no longer afford her: respectability. The Queen of Mean desperately wanted to redeem herself in the eyes of the city that had shunned her. And so she turned to her good friend and trusted adviser, Howard J. Rubenstein, for help.

Rubenstein, the city's most powerful media consultant—a friend to pols and realtors, bishops and blasphemers alike—came up with an ingenious plan that would wed Leona to Mayor Dinkins in a public ceremony with millions of onlookers. It would link Leona to GIs returning from the gulf war and the potentates of Kuwait and Saudi Arabia. It would win Leona the hearts and minds of the New Yorkers who had come to loathe her.

Last March, as Mayor Dinkins searched for a way to pay for a ticker-tape parade to welcome home the troops, Rubenstein stepped forward. Leona Helmsley, he told the mayor, would be happy to help out by writing a check for a million dollars. That was the initial estimate of what the parade would cost the city, and Leona was happy to cover all expenses.

"Gee, that sounds terrific," Dinkins reportedly told Leona, when she phoned City Hall to sound him out. What would she expect in return? A modest reward for her generosity, like sitting on the reviewing stand along with Colin Powell and Norman Schwarzkopf? A little more than that, according to mayoral spokes-

said he'd be happy to accept a check from Leona the Patriot. It seemed to be a done deal, until officials close to Dinkins found out about it.

One mayoral aide who was active in planning the parade recalled heated arguments inside City Hall over the propriety of Leona Helmsley underwriting Operation Welcome Home. "This parade would have been the laughingstock of the whole world," he says. "I told them that if they let this go through, I would march without any clothes at the head of the parade."

Rubenstein seemed chagrined. Again and again, he would say: "How am I going to tell Leona?" Dinkins did some agonizing of his own, and then passed the buck to Joe Flom, the powerhouse lawyer who chaired the parade committee. Flom, apparently concerned about individual donors dominating the event, delivered the ultimatum: Leona had to go.

Beaten yet unbowed, Rubenstein proceeded to get legions of his clients involved. An ecumenical service was held at the Cathedral of St. John the Divine, a Rubenstein client. A party was held aboard the battleship Intrepid, a Rubenstein client. Among the major corporate sponsors were: Time Warner, Eastman Kodak, Salomon Brothers, the law firm of Paul, Weiss, Rifkind, Wharton, and Garrison, Chemical Bank, and United Parcel Service—all Rubenstein clients.

But he demurs from taking any credit for this outpouring of corporate largesse: "The parade orga-

when they didn't have a nickel." He adds: "Leona was so disappointed."

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For years, Howard Rubenstein has been the uncontested media czar of New York, the proud possessor of the most envied and closely guarded client list in town. His clientele includes virtually all the major developers—Olympia & York, Tishman Speyer, Lew Rudin, and Park Tower—venerable investment houses like Salomon Brothers and Morgan Stanley; major "white shoe" law firms like Milbank Tweed; and venerable Jewish firms such as Paul, Weiss, Rifkind. There are media conglomerates, like Hachette, and the empire of Rupert Murdoch. There are hospitals, like Lenox Hill, Columbia Presbyterian, Beth Israel, and Albert Einstein. And of course there are the "goodwill" clients, such as the Daughters of Jacob Nursing Home in the Bronx, or the Central Park Conservancy.

But the clients who have made Rubenstein a force to be reckoned with are the ones who are not on the schedule, the streams of politicians—often vying for the same office—who seek his advice and wish to be in his good graces. Which is why few officials or those who would like to work in city government are willing to talk on the record about Howard Rubenstein. Two possible rivals for Dinkins's office, City Council president Andrew Stein and former federal prosecutor Rudolph Giuliani, would not comment for this article. And neither would senatorial hopeful Elizabeth Holtzman. Rubenstein has a way of intruding himself into the political process at every level, maintaining cordial relationships with all candidates at once.

A legendary story about Ruben-

stein—which he heatedly denies—is that he was advising every major mayoral candidate, from Dinkins and Koch to Jay Goldin and Rudy Giuliani. On primary night, when Ed Koch suffered a humiliating defeat, Rubenstein appeared to pay condolences to his long-time friend. Then, without missing a beat, off he went to the Penta Hotel, where Dinkins was savoring victory. There was Howard, who so often stands at the side of victors, congratulating his good friend, the future mayor of New York.

the crowd, calmed the hecklers, and led a shaken Rubenstein into the safety of his father-in-law's liquor store.

Then and there, says Rubenstein, a life-long bond was cemented, a friendship that would carry over from Dinkins's early years in the Municipal Building to his assumption of the city's highest office. Did Dinkins, as Rubenstein has claimed for many years, really save his life? The mayor's spokesman puts a different spin on the tale. "What the mayor did was to calm a situation down. But

# Metro

The way Rubenstein tells the story, it all began in Harlem sometime in the 1970s. Dinkins was the city clerk and Rubenstein an up-and-coming PR man with close ties to Mayor Abe Beame. Rubenstein's chauffeur had driven him to the site of a new McDonald's at 145th Street and Broadway. But the community was opposed to the fast-food intruder, and a crowd surrounded Rubenstein, taunted him, cursed him out. The driver sensed danger and sped away, leaving Rubenstein undefended. Then, a friendly face appeared. It was David Dinkins, the politician who had caught the eye of Abe Beame. Dinkins pushed his way through

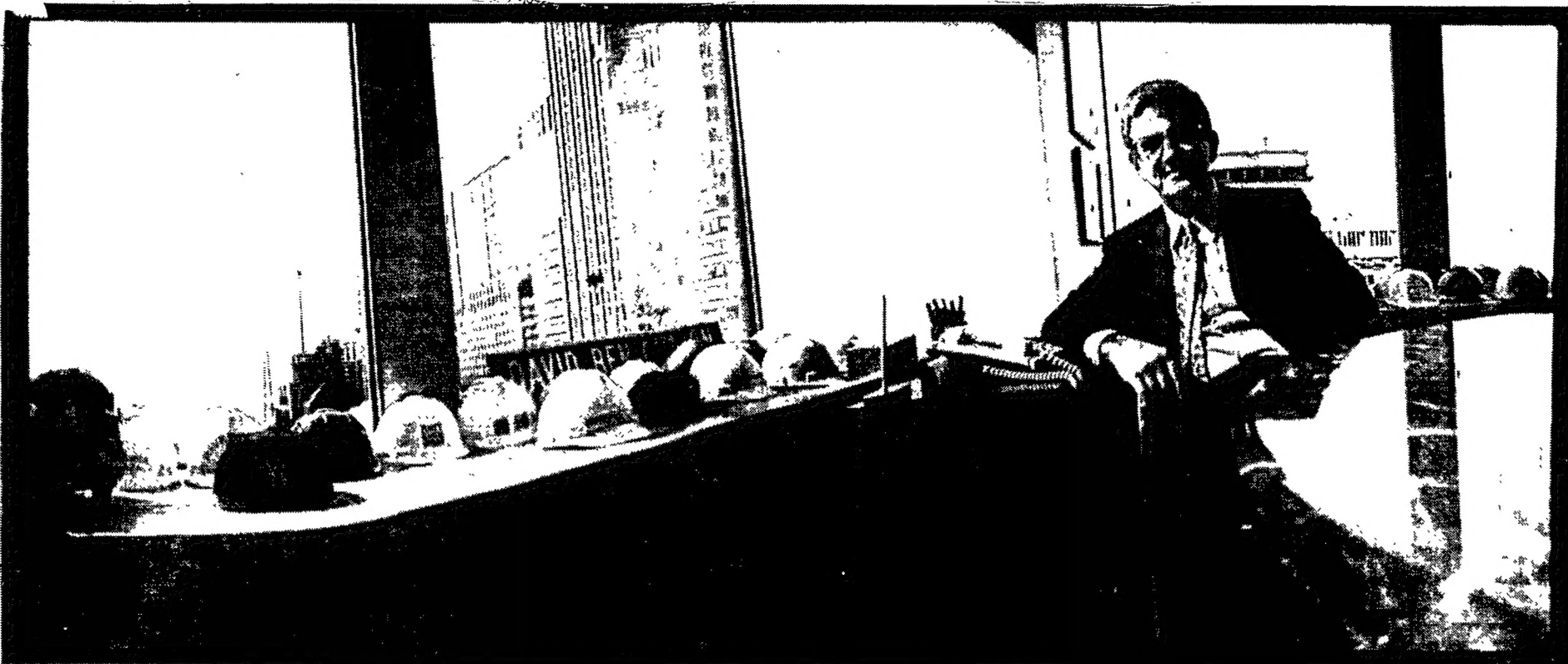
that's the mayor's style. It's not quite the life or death situation it's been portrayed. Howard is a pretty good storyteller."

He's also an institution in New York politics—the ultimate smooth operator. Indeed, for the past three administrations, Rubenstein has had the mayor's ear. "I like Howard," Ed Koch remarks. "He would call me and say, 'I'd like you to attend a groundbreaker.' I did it because I thought it was in the best interest of the city—building jobs, construction. I would do it for anybody in a similar position. But there wasn't anyone as widespread as Howard. He represents 75 per cent of the people in this

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# URBAN GUERRILLA Lucette Lagnado

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Publicist Howard Rubenstein. Says a former Dinkins aide: "Howard is probably one of the mayor's closest advisers outside the government."

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town who impact on the city." Koch defended Rubenstein's practice of bringing developers and other private clients to City Hall.

What's in it for the pols? In one word, money. Rubenstein has achieved a reputation as the most effective fundraiser for the city pols. He insists he's shied away from the business of rounding up contributors since the 1989 Feerick Commission hearings on ethics in city government: "I have stuck to it and I have not raised money. I have not found that my access or my friendship has diminished as a result."

But politicians continue to view him as the single most effective pollinator of their campaigns. "I wouldn't underestimate his cachet," says Bronx borough president Fernando Ferrer. "If he's on the other end of the phone, it's probably one of the top 10 calls you want to answer. There's a perception that with a phone call or two, Rubenstein can ascertain from the principle players in government or business whether a project will swim."

Things have changed since the glory days of the '80s. The developers no longer have such deep pockets, and there aren't many groundbreaking anymore. Yet developers like Lew Rudin are as visible at City Hall as they have

ever been. And their favorite publicist is never far behind. "Nowadays, a public official would get down on his hands and knees to develop if I could bring in a developer to see the mayor," Rubenstein says. "I would look upon that as a public service!"

Business has been better for Howard Rubenstein. His most famous (or infamous) client, Donald Trump, may be gone, but his friendship with the current mayor is tiding him over hard times. Several veteran players in city politics say the bond with Dinkins is partly responsible for the fact that he snared a desirable media-relations contract with the Democratic National Committee. DNC chair Ron Brown is, after all, a good friend of Dinkins. Neither Rubenstein nor the DNC will reveal the terms of the contract, but DNC officials are currently using his office space on Sixth Avenue for fundraising.

The mellifluous flack—who is in many ways a more compelling figure than the people he represents—alternately describes himself as close to the mayor and not so close. He confirms that he talks with Dinkins on a regular basis, but denies that he enjoys inordinate access. He says he is a regular visitor to Gracie Mansion, and promptly qualifies that to "only

once or twice a month." As for the stream of clients who pop up on the mayor's private schedule, Rubenstein insists that in many cases, he doesn't "personally" get them on it.

Dinkins's former press secretary, Albert Scardino—no friend of his former boss—was often involved in putting together the mayor's schedule. He claims that Rubenstein was able to harpoon the mayor into attending events. "Howard and other people on his staff would often try to get somebody onto the schedule," Scardino says. "Howard would sometimes talk to the mayor, or to [Deputy Mayor Barbara] Fife or to me or to [scheduling chief] Ken Sunshine or some of the other schedulers who were there since the borough president days, and that Howard happened to know."

Another Dinkins aide with access to the schedule wonders whether "Rubenstein is abusing his friendship with the mayor by asking him to attend 100 events each month."

Dinkins's current spokesman, Leland Jones—who also served under Koch—downplays the role Rubenstein plays in the administration, insisting that whatever access he enjoys is based on merit. "It is true that Rubenstein suggests events—as others suggest

events. But Rubenstein has been in this business for so many years. He does have a track record of representing an awful lot of people, and he does it perfectly well."

But Jones confirms one intriguing detail: Howard Rubenstein's name did not appear on Koch's private schedule—perhaps because, as one aide put it, "If Koch knew it was Howard, he might say, 'Why am I doing this?'" The current occupant of City Hall doesn't seem to have those reservations. "Dinkins is the perfect mayor for a PR outfit," says a former Rubenstein associate. "He loves ceremonies. Howard can call and Dinkins will show up and do the dog-and-pony show."

The question is: Has Howard J. Rubenstein donated his legendary public relations machine to David Dinkins? Or has David Dinkins lent the trappings of his mayoralty to Howard J. Rubenstein? Who's flacking who?

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An examination of 16 months of the mayor's public and private schedules may shed some light on the question. For example, between January, 1990, when Dinkins first assumed office, and January 1991, Rubenstein's name appears 16 times on the mayor's schedule. That doesn't include the many times his clients show up on

the schedule—with or without prompting from the publicist. Then there are the regular meetings of the Council of Economic Advisers, an elite group of outside advisers to the mayor, that convenes several times a month.

Rubenstein is the only publicist whose name appears regularly on the mayor's schedule. Nowhere does one see the names of other media consultants like John Scanlon or Bobby Zarem. ("The mayor has been quite available," says Zarem; Scanlon could not be reached for comment.) "You have to look at the quality of the event," says Rubenstein. "I don't personally ask him to do stuff that is not appropriate, that is not in the interest of the city."

Case in point: January 10, 1990. Olympia & York, a major developer represented by Rubenstein, decided it was going to renovate its Park Avenue headquarters. It was not earthshaking news, nor was there any zoning dispute, expenditure of public monies, or other issue meriting the mayor's involvement. And if the developer had merely put out a press release, "maybe *Crain's* would have written two or three paragraphs," says Scardino. But Rubenstein trumpeted the event as an example of the developer's "long-term confidence in the city." Not only did he succeed in getting the mayor on board, but the "news" was announced with great ceremony in the prestigious Blue Room of City Hall, with 25 reporters present. Both the *Times* and *Newsday* carried stories on the press event.

Another case in point: May 8, 1990. A small, little-known Jewish organization known as the American Zionist Youth Foundation hired Rubenstein last year to do PR on the annual Salute to Israel Parade, and found itself getting a publicity bonanza. Rubenstein helped execute the idea of building a float representing Dinkins's beloved "Gorgeous Mosaic." It would focus on American/Jewish/black/Israeli relations. The float was taken to the City Hall parking lot, where the mayor came out to admire it and pose for a five-minute photo op.

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On some days, Rubenstein dominated the mayor's schedule by being with him on more than one event. For instance, on October 12, 1990, 8:30 a.m.: Howard Rubenstein had breakfast with the mayor at Gracie Mansion, for a gathering of the Council of Economic Advisers. That lasted until 10:00 a.m. Two and a half hours later, Rubenstein was once again with the mayor, this time for a power lunch he had helped arrange with Yankee manager and theater producer Robert Nederlander.

On December 18, 1990, "H. Rubenstein" appears on the schedule as the go-between for a lunch between the mayor and Dan Burke, chief executive officer of Capital Cities/ABC, a Rubenstein client. Why would the president of a major network even need Rubenstein to arrange a sitdown with the mayor? Julie Hoover, a spokeswoman for ABC, says she turned to him after failing to arrange a lunch. One phone call to Howard Rubenstein fixed that. And sure enough, Rubenstein himself appeared at the private lunchroom and joined the meal. "I guess you could say he was a little bit of a facilitator," Hoover explains.

That may be the way his clients  
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see Howard Rubenstein, but to his friend the mayor, he's a trusted adviser. "Rubenstein was never a member of Koch's kitchen cabinet," says one aide who has served under both mayors. "But I believe he is a member of Dinkins's kitchen cabinet."

Scardino agrees: "Howard is probably one of the mayor's closest advisers outside the government. The mayor had a great deal of confidence in him. Much of what Howard said was common sense, but having Howard say it was very different from having me or Norman Steisel or Bill Lynch say it."

And what sort of advice did Howard Rubenstein proffer? According to Scardino, he tried to get the mayor to stop being stiff and formal when speaking in public. He urged Dinkins to avoid the

language of an 18th century courtier, and speak like an average gruff New Yorker. "When there were all these killings of kids, Howard would tell the mayor to say: 'I'm mad,'" Scardino recalled. And when advising Dinkins on dealing with the media, he'd say: "Do you have to speak so complicated? Can't you say stuff they can cut in a sound byte?" Because it was Howard Rubenstein, the mayor apparently listened.

**What's wrong with David Dinkins** being close to Howard Rubenstein? So what if a publicist can persuade the mayor to drop in on such and such an event, or have lunch with such and such a client? To civil liberties attorney Richard Emery, who once sat on the Feerick Commission, there's nothing much wrong with that.

Emery, who has been outspoken about the need to reform city government, praises the publicist as "a breath of fresh air in a stale environment. The question of whether Howard delivers the Mayor at functions is not really significant." As for Dinkins, "the fact that he gets advice from Howard and relies on him is because Howard is a longtime friend. While it certainly gives Howard power, it is not particularly troubling."

But over at the New York Public Interest and Research Group, attorney Gene Russianoff isn't so sure. He calls Rubenstein a "wheeler-dealer," and likens him to lawyer/lobbyist Sid Davidoff. "I think the Mayor should be much more careful about appearing to be too close to power-brokers," Russianoff says. "We have an electorate in this city that

couldn't be more turned off. And when the public sees the proximity of people like Davidoff and Rubenstein to the Mayor, the general sense is you can't fight City Hall." Russianoff recalls that, when Dinkins got elected, "there was a perception he would be much more receptive to non-powered, non-moneyed interests." Instead, the attorney says, his colleagues at NYPIRG can't get their phone calls returned, even by low-ranking aides to the Mayor.

Stephen Gillers, a professor of legal ethics at New York University School of Law, dubbed Rubenstein "the Clark Clifford of New York," and warned against his rising influence as a lobbyist for the private interests he represents. "This kind of subterranean access causes me some disquiet," Gillers says. He likened publicists like Rubenstein to the old clubhouse

bosses to whom one would turn when the wheels of government needed to be greased. "These PR people are not simply appointment makers; they become powers in their own right."

Asked about Rubenstein's ability to survive from administration to administration with his influence intact, Gillers replies: "There are certain informal institutions, that are not in any charter, which enable the city to operate. One may run on a platform that rejects them, but once in power, one may find they are necessary for getting things done. No matter what, invisible forces recreate the old model."

In other words, business as usual. Which leads Russianoff, the public advocate, to wonder: "How different is the soul of this administration?" ■

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